This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 03 BANGKOK 005681

STPDTS

SINGAPORE FOR IAO/IFO

E.O. 12958: N/A TAGS: <u>EAIR ECON TH</u>

SUBJECT: THAILAND CIVAIR: READOUT ON FAA CONSULTATIONS WITH

DEPARTMENT OF CIVIL AVIATION

**REF: STATE 155552** 

- 11. (U) SUMMARY: Consultations between a visiting team from the Federal Aviation Administration (FAA) and officials from the Department of Civil Aviation (DCA) met pursuant to reftel and previous consideration of problems relating to the Thai carrier Phuket Air on August 13, 2005. The discussions were friendly and the Thais forthcoming on the state of aviation safety oversight in Thailand. The issue of safety on Phuket Air has resolved itself in that the company has reduced its commercial air services down to two little-used routes. Nevertheless, serious deficiencies with respect to the adequacy and the sustainability of safety oversight in Thailand exist, particularly regarding existing law and regulations as well as financial resources and numbers of inspectors. Going forward, additional consultations and possibly a full safety audit will be required to evaluate the level of safety oversight as deemed necessary by the FAA. The Embassy views the willingness of the Thais to discuss consultations. The Embassy will continue to monitor aviation safety issues and work with all competent authorities to facilitate further consultations, technical assistance, and other endeavors to ensure that oversight of aviation safety in Thailand meets international standards. End Summary.
- 12. (U) Embassy Civil Aviation Officer and visiting Federal Aviation Administration (FAA) team met with Mr. Vichai Prateeprecha, Deputy Director General of the Department of Civil Aviation (DCA) of the Royal Thai Government (RTG) and seven other aviation safety officials in Bangkok on August 31, 2005. Representing the FAA were Michael E. Daniel, Manager, International Programs and Policy Division (Washington, DC), Larry G. Kephart, Division Manager (Lawndale, CA), R. Andrew Edwards, Manager (San Francisco, CA), and David M. Smith, Manager (Singapore).

## PHUKET AIR ISSUE

- 13. (U) The above meeting was originally scheduled at the Embassy's request in response to safety concerns involving the carrier Phuket Air, raised earlier in the year. In June 2005, an interagency committee chaired by the Deputy Chief of Mission at the Embassy considered whether to issue a caution to US Government employees (and by extension to all American citizens in accordance with the "no double standard" policy) in view of deficiencies in operations by Phuket Air reported by aviation authorities in the United Kingdom and the Netherlands. The American Express travel office at the Embassy reports that it issued 129 tickets on Phuket Air in 2004 and 84 tickets for travel on Phuket Air in 2005. At the time the Department of Civil Aviation was closely following the matter. At said interagency meeting, it was agreed to defer action because the RTG authorities were responding to the concerns that had received widespread publicity in the local press. Embassy officers also wished to consult with acknowledged experts in the area of aviation safety at the next available opportunity, which was during the visit of the above team to Thailand in late August.
- 14. (U) As events turned, in the days immediately preceding the August 31 consultations, the Government of France blacklisted Phuket Air and Phuket Air announced that it was discontinuing all of its commercial flights, except for one flight to Ranong and one flight to Burma. The company reportedly plans to lease its aircraft to other carriers such as Saudi Arabian Airlines. With the prospect of US Government employees traveling on Phuket Air diminished to essentially nil, the Embassy interagency committee decided not to issue any caution at its follow-up meeting on September 1. The Embassy will continue to monitor aviation safety as a matter of course.

## CONSULTATIONS ON OVERSIGHT OF AVIATION SAFETY

15. (U) In response to reftel, Embassy requested the addition of the aviation safety concerns regarding whether Thailand is meeting international standards to the agenda for the FAA-DCA meeting scheduled to be held on August 31. The DCA agreed, and for the reasons set out above, the majority of the 90-minute meeting focused on matters of the RTG oversight of

aviation safety. The proceedings were friendly. The Thai officials acknowledged problems and responded openly to questions. They also willingly volunteered relevant information.

- 16. (U) This positive working relationship notwithstanding, material deficiencies in RTG oversight of aviation safety exist, confirmed by the recent International Civil Aviation Organization (ICAO) inspection. DCA officials shared copies of appendices 1-4-1 and 1-5-1 on aircraft operations and airworthiness of aircraft respectively of the draft Findings and Recommendations of said ICAO inspection.
- 17. (U) Discussion of ICAO findings was detailed and at times highly technical. As the lead agency on aviation safety, the FAA will follow up on the team's particular findings in due course. Set out below is a summary of the main issues emerging from the bilateral consultations as communicated to the Charge during the FAA team's outbrief at the Embassy on August 31. In broad terms, the basic question at issue is whether RTG laws, regulations, staffing, financial and other resources, and plans going forward provide for a sustainable program that meets international standards for oversight of aviation safety.
- 18. (U) A primary area of concern is the adequacy of the existing basic aviation law. The current law dates back over twenty years, and as a result the regulations and administrative guidance flowing from it are not adequate to meet present-day needs. The law has been under review, but at the current pace, revision is not expected for another year, possibly two years.
- 19. (U) The most immediately pressing area of concern is a shortage of sufficient financial resources and personnel to maintain an adequate regime of inspection and oversight. In recent months the DCA has moved to fill inspector positions with temporary personnel, but this move is a stop-gap measure. Improvement in the funding for safety oversight is necessary in order to hire permanent inspectors and to train them adequately.
- 110. (U) The FAA will follow closely the RTG's immediate plans for action in response to the ICAO study. At a minimum, further consultations of a similar nature may be expected.
- 111. (U) Some of the morning's discussion focused on concerns about safety oversight on the part of Thailand's principal carrier, Thai Airways. Since both Thai Airways and United Airlines are members of the Star Alliance and operate in Thailand, the FAA plans to consult with United on its auditing of safety oversight at Thai Airways. Embassy Aviation Officer communicated this point to the General Manager of United's operations in Bangkok on September 1.
- 12. (U) In view of the positive role that technical assistance may have in improving aviation safety in Thailand, the FAA team expressed the willingness of the FAA to offer technical assistance on a reimbursable basis.
- 113. (U) In a meeting between the Charge and the Minister of Transport Pongsak Ruktapongpisal later in the day on August 31, the Embassy communicated our concerns via a non-paper. The meeting focused principally on the Open Skies negotiations scheduled for September 7-8. The Minister's staff accepted the non-paper without comment. The Embassy will highlight the issue of aviation safety at the ministerial level at the next opportunity.

## EVALUATING OVERSIGHT OF AVIATION SAFETY

- 114. (U) Under the International Aviation Safety Assessment (IASA) program, the FAA will determine whether a full assessment is required in order to evaluate whether Thailand's Civil Aviation Authority (CAA) is carrying out its obligation to oversee safety of carriers in accordance with minimum international standards established by the ICAO, or to proceed with further bilateral consultations regarding the recent ICAO inspection and the CAA's immediate steps to remedy deficiencies.
- 115. (U) Discussion of whether a given aspect of aviation oversight, particularly the number of inspectors, is adequate can be highly technical and detailed. During the meeting, Michael Daniels described for the Thais a general criterion that may be of use for all concerned when discussing the issue with other parties as well. The essential test of whether an oversight regime ensures adequate surveillance and certification, he said, is whether there are problems in these areas. If problems recur, then it is inadquate and more resources and attention is required.

116. (U) The Embassy believes that the willingness of the Thais to be forthcoming on deficiencies and areas of concern affords a very positive basis for future consultations on the substantive points at issue. Owing to both the specialized nature of safety issues and the fact of a successful start to the bilateral dialogue on aviation safety oversight between the competent officials on both sides, the Embassy plans to maintain these consultations on their own track going forward. The Embassy is also willing to facilitate technical assistance or other cooperative endeavors involving the American aviation safety authorities and the RTG as circumstances needed to ensure that oversight of aviation safety in Thailand is up to international standards. End comment.

 $\underline{\mbox{\tt 1}} 18\,.$  This cable has been cleared by the FAA representatives listed in paragraph 2.  $\mbox{\tt ARVIZU}$